

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Color Country District Office Henry Mountains Field Station PO Box 99 Hanksville, Utah 84734 Telephone (435)542-3461



In Reply Refer To:

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DIV. OF OIL, GAS & MINING

March 18, 2013

CERTIFIED MAIL – RETURN RECEIPT REQUESTED Certified Mail No. 7009 3410 0001 1113 6944

Mr. Matthew Neher Greentech Mining Utah LLC PO Box 215 Hanksville, Utah 84734

Subject: REQUEST FOR PROJECT DATA UPDATE, FINANCIAL GUARANTEE REQUIRED. BLM Permit No.: UTU-88732, UDOGM File Permit No.: S-017-0052, Garfield County, UT.

Dear Mr. Neher:

In anticipation of commencement of seasonal mining operations under purview of the Bureau of Land Management (BLM), Henry Mountains Field Station, this letter is to request updated project data for your Golden Eagle Claim #103, BLM file number UTU-88732, Utah Division of Oil, Gas, and Mining (UDOGM) file number S/017/0052. Please provide current data for:

- 1. Any updates regarding Owner/Operator address and phone number;
- 2. A listing of principal corporate/project officers, and local project manager, including contact information;
- 3. Project status including anticipated start-up dates if known. **NOTE:** BLM requires 30 day notice prior to commencement or continuance of operations to allow migratory bird surveys to be conducted (see Conditions of Approval #9 below).

BLM provided Approval of Greentech's Golden Eagle Placer Mine Plan of Operations by Certified Letter dated April 26, 2012, subject to Conditions of Approval. Your authorization to proceed was contingent on receipt and adjudication of your financial guarantee (discussed further below); no work may commence until your financial guarantee is received and accepted by the BLM and UDOGM. To date, BLM has not received the

financial guarantee for this project. Please keep in mind that the financial guarantee must be posted and adjudicated prior to BLM authorizing seasonal operations.

Financial Guarantee:

In accordance with the regulations of 43 CFR 3908.203(d) the financial guarantee for the Golden Eagle Placer Mine will be held jointly by the State of Utah, UDOGM and BLM. The required amount of the financial guarantee has been calculated and determined in the amount of \$48,500.00 for three years or \$50,400.00 for five years to cover the activities proposed in your Plan. However, you may not proceed with your proposed activities until the financial guarantee is posted and adjudicated by UDOGM and BLM. BLM must concur in the approval, release, or forfeiture of the financial guarantee for public lands.

The Conditions of Approval applicable to the Golden Eagle Plan of Operations are listed below for reference as you plan for the upcoming season. Approval of the Plan of Operations by BLM does not constitute a determination regarding the validity of ownership of any unpatented mining claims involved in the mining operation. Greentech is responsible for obtaining any use right or local, State or Federal permits, licenses or reviews that may be required for the subject mining operation.

Greentech Mining must conduct operations as described in the Plan of Operations as Amended, dated January 5, 2012, and in accordance with the following Conditions of Approval:

- 1. In order to prevent unnecessary and undue degradation, operations must comply with all applicable regulations contained in Title 43 Code of Federal Regulations part 3715 and 3809, and other Federal, State and local laws, regulations and ordinances related to environmental protection and protection of cultural resources.
- 2. Any changes to the Plan dated January 5, 2012 must be approved by the BLM prior to implementing such changes.
- 3. Prior to beginning operations, operator will obtain and comply with the terms and conditions of all necessary permits including those from Utah Division of Oil, Gas and Mining (UDOGM), Utah Department of Environmental Quality (UDEQ), and Garfield County.
- **4.** Must protect and preserve all government survey monuments that may be present in the area where mining activities occur.
- 5. Any cultural, historic, and/or paleontological resources discovered during mining operation shall be immediately reported to the Authorized Officer. All operations in the immediate area of such discovery shall be suspended until written authorization to proceed is issued by the BLM.
- **6.** Agrees to indemnify and hold harmless the United States from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of the Operator or Operator's agents and employees, or contractors to comply with the approved Plan of Operations.

- 7. Unless an exception is granted in writing from the Authorized Officer each year, no surface disturbance under this Plan of Operations is authorized between November 1 and May 15, the bison crucial winter range seasonal restriction period. Surveys for bison will be required and conducted by BLM staff in mid-October of each year to determine if an exception to the bison seasonal restriction could be granted allowing mining activities to continue from November 1 through December 14. Surveys for bison will also be required in early April to determine if an exception could be granted from April 15 through May 15.
- 8. No surface disturbance under this Plan of Operations will be authorized between December 15 and April 15, the mule deer crucial winter range seasonal restriction period.
- 9. Surveys will be required and conducted by the BLM prior to beginning operations each season to determine if migratory birds are using the area and if nesting is occurring within or directly adjacent to the project area. If significant numbers or nests are found, additional mitigation will be required prior to resuming mining operations.
- 10. All existing roads will be kept in good repair during all phases of operation and will be maintained as necessary to prevent erosion.
- 11. Culverts may need to be installed along the proposed road. Energy dissipating structures will be utilized to minimize erosion at the culvert crossings. Adequate drainage structures will be incorporated into the remainder of the road if necessary.
- 12. The access road will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion and impacts to adjacent areas.
- 13. The new road proposed shall be obliterated during reclamation of the project.
- 14. Diversion ditches will be constructed around the project site to prevent surface waters from entering the mining area.
- 15. Surface disturbances that are created on public land as a result of mining operations will be reshaped, re-contoured, and seeded with the BLM approved seed mixture provided below. There shall be no primary or secondary noxious weeds in the seed mixture. The seed shall be certified weed-free seed. All seeding will be done in mid to late fall (October/November), to prevent premature sprouting and subsequent winter killing of the forb species, due to late summer/early fall precipitation combined with warm soil temperatures. The Authorized Officer is to be notified a minimum of 15 days prior to seeding of the project area.

Table 4.1. BLM Approved Seed Mix

Common Name	Scientific Name	Bulk Pound	Bulk Pounds per acre (Broadcast)
Bottlebrush Squirreltail	Sitanion hystrix	1	0.85
Sideoats Grama	Bouteloua curtipendula	1	0.73
Galleta	Hilaria jamesii	2	1.59

Scarlet Globemallow	Spaeralcea coccinea	0.5	0.43
Needle and Thread	Stipa comata	1	0.81
Indian Ricegrass	Oryzopsis hymenoides	1	0.91
Totals			5.32

All of the seed shall be mixed together, and be either broadcast seeded or drill seeded. Greentech will have three growing seasons following completion of the mining operations to re-establish vegetation on the reclaimed areas. Failing this, the Authorized Officer may accept whatever level of reclamation is achieved if a good faith attempt at reclamation has been demonstrated by the Holder, or may require additional reclamation measures.

- 16. Any accidental spills of lubricants, oil, diesel, hydraulic fluids or other hydrocarbons, solvents, or potentially deleterious materials will be promptly cleaned up and any contaminated material(s) will be disposed of in an authorized landfill.
- **17.** All operations generated debris and trash shall be cleaned up and removed from the public lands and disposed of in an authorized landfill.
- 18. All mining equipment shall be power washed prior to entering the mining site. Greentech Mining shall be responsible for weed control on all disturbed sites until the disturbed sites are properly rehabilitated.

We look forward to working with you during this upcoming season. If you have any questions regarding Greentech's Golden Eagle project on BLM lands, please give me or John Reay, Geologist, a call at 435-542-3461.

Sincerely,

Sue Fivecoat

Assistant Field Manager

cc: Wayne Western, UDOGM

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